

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Sagebrush Technology

New Mexico Manufacturing Extension Partnership

We Need It Fast!

Client Profile:

Sagebrush Technology was established in 1990 and employs approximately 20 people. The Albuquerque, New Mexico, facility manufactures precision gimbals for various markets, including military and aerospace applications. Sagebrush provides gimbals, positioners, and OEM actuators for applications that require state-of-the-art precision, smoothness, reliability, and cost effective performance in all types of environments. Sagebrush Technology can provide standard products, custom product modifications, or fully customized systems to fit the particular application.

Situation:

In late 2003, Sagebrush Technology sent several employees to various Lean Workshops conducted by New Mexico Manufacturing Extension Partnership (New Mexico MEP), a NIST MEP network affiliate. After the workshops, New Mexico MEP personnel met with the Production Manager of Sagebrush to discuss the improvement opportunities within the company. Sagebrush was suffering from frequent parts shortages and frequent delays in receiving ordered parts. The company decided to analyze the parts re-ordering process using an administrative process mapping technique.

Solution:

With the use of the process map, the Sagebrush team was able to identify key actions to improve not only the re-ordering process but the initial ordering process. It was decided to reduce the number of models and the number of options per model. It was also decided to significantly reduce the frequency of sending out request for quotes (RFQ). Additionally, Sagebrush engaged in a supplier development program. Based on capability and on-time delivery, key suppliers (machine shops) were identified to build frequently used parts. Internally, Sagebrush established part reorder signals so that parts would be reordered before shortages occurred.

Results:

- * Retained \$20,000 in sales.
- * Realized cost savings of \$112,500.
- * Saved \$43,000 in unnecessary investments.
- * Invested \$1000 in workforce training and employee skills.

Testimonial:

"The New Mexico MEP organization has not only assisted Sagebrush in thinking smarter about manufacturing processes through their Lean Manufacturing 101 courses, but assisted us in identifying areas for improvement in our inventory control, purchasing, and handling processes. This resulted in significant reduction in the amount of labor required to conduct our manufacturing operations, as well as reducing the labor burden for our vendors. We are extremely pleased with New Mexico MEP's

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

interaction and professionalism and would highly recommend their services to any company seeking improvements in their own internal processes."

Vaughn E. Halford, Production Manager